

# (IN)EFFECTIVENESS OF QUALITY MANAGEMENT SYSTEMS AND MODELS OF EXCELLENCE IN PRACTICE

Branko Škafar\*

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**Abstract.** *This paper presents some tools, used to ensure quality and excellence in organizations. On the way to ensure quality and excellence, which enable efficiency and effectiveness, organizations are assisted by well-known tools, with their common features being discussed. Based on the research, findings on the (non)functioning of these tools are given, with the focus*

*on popular tools, such as ISO 9001, the EFQM model, etc. Results of the survey are used to suggest how to make the quality and excellence tools more useful and direct their usage toward realization of organizational effectiveness.*

**Key words:** *effectiveness, quality management tools, models of excellence*

## 1. COMMON CHARACTERISTICS OF QUALITY MANAGEMENT SYSTEMS AND EXCELLENCE MODELS

The article will be limited to comparison of only some of the quality management systems and models of excellence. We will compare the ISO 9001 Quality Management System, quality management system in institutions of higher education, quality management system in higher vocational colleges, system of quality management 'Quality for the future of upbringing and education', system of quality management in firefighting and colleges and PRSPO and EFQM models of excellence.

Common characteristics of the mentioned quality management systems are (Škafar, 2018):

- They are all based on the so-called **PDCA (plan – do – check – adjust) circle (spiral)**,
- **Management** (suitable leader – innovative, team player, visionary, connective, motivating) is the basis for the achievement of organization's direction (vision, mission, strategy, plans, measurable aims),
- **People and resources** (suitable personnel (competent), infrastructure and technology) are vital for achieving the goals of an organization,

\* Branko Škafar, PhD, Assistant Professor, Faculty DOBA, Maribor, Prešernova ulica 1, 2000 Maribor, Slovenia. Phone ++386 41 617 416; e-mail: [branko.skafar@siol.net](mailto:branko.skafar@siol.net)

- **Process approach** (processes (the processes of an organization have to be defined) need to be constantly (annually (author's note) improved, thus achieving improvement of quality, cost reduction and shortening of the duration of the process),
- **Measurements** (organizations must measure or have achieved the set measurable targets),
- **Constant improvement in all areas (in order to maintain their operations organizations have to improve their processes and business activities since everything is changing (products, services, competition, buyers, suppliers, etc.)).** A systematic approach to improvements, innovations (from brainstorming of ideas to realization) is therefore necessary;

Common characteristics of excellence models (the same as for quality management systems applies) (Škafar, 2018):

- excellence is being **above average** (for example regarding the competition and other organizations),
- **constant improvement, above average business results** (loss is unacceptable),
- **satisfaction of all business members of the company** (buyers, owners, employees, suppliers, narrow and broad social groups (stress on social responsibility). Satisfaction of all members is measured (at least annually) and has show upward trends. The results should be published multiannually (at least the last 5 years), the most important being customer satisfaction and performance.

## 2. RESEARCH ON QUALITY MANAGEMENT SYSTEMS OPERATION AND EXCELLENCE MODELS

Multiple studies have been performed on operations of quality management systems and models of excellence listed in this article. The data collection was carried out using a range of instruments such as questionnaires, interviews, discussions and exchange of opinions on interior and exterior judgments of quality management systems in different organizations. In this section, two research studies are presented: a model of excellence in public utility companies and the quality management system in higher vocational colleges. Both studies confirm usefulness of the quality management system and its importance for these organizations.

Quantitative analysis of the model among Slovenian utility companies and Saubermacher companies in Slovenia, as well as parent company in Austria was performed, based on the questionnaire data pertaining to the use of the elements of the model in the surveyed companies. The survey encompassed 28 companies that deal with waste. Fourteen of those are public utility companies, nine are private (dealing mainly with disposal of special and dangerous waste) and four are partially, or completely owned by the Austrian-based Saubermacher company.

With their activities the surveyed companies cover almost three quarters of Slovenia, while the companies that are private are mainly organizations that deal with dangerous and special waste. For a more extensive analysis of the model (Slovenian public companies and the model, private companies and the model, companies owned by Saubermacher and the model, and the Saubermacher company from Austria

and the model) we have decided on an additional, even more detailed analysis and demonstration of the successfulness of the model. The questionnaire consisted of 47 questions. The results confirmed the importance of individual elements of the model for the achievement of business successfulness and excellence.

Research on quality management system in higher vocational colleges was conducted in order to establish whether in given higher vocational colleges where the survey was carried out, the demands of the quality management system used for establishing and guaranteeing the quality have contributed to improving it, thus meeting the expectations of individual school members.

The survey was carried out in 30 higher vocational schools where the questionnaires were administered to presidents of commissions for quality assurance or principals (from 59 active ones). The questionnaire consisted of 11 questions and was anonymous.

Questions and reply (reply was possible on the scale from 1 to 4: 1 -I do not agree

at all, 2 –I disagree, 3 - I agree and 4 - I agree completely) to individual questions are as follows:

Descriptive statistics indicate that the means for all the answers range between 2.8 and 3.4. Accordingly, it can be concluded that the interviewees believe that implementation of the demands of the quality management system has contributed to improving satisfaction of individual members of the college, better implementation of processes and constant presence of improvements in the college.

### 3. ANALYSIS OF IMPLEMENTATION OF QUALITY AND EXCELLENCE MODELS

Based on the results of several research studies (including slightly more than 100 organizations in the private and public sector that have an established quality management system), it can be concluded (Škafar 2018):

- **management problem** (management lacks vision, strategy and measurable

*Table 1. Average rate of agreement*

Dimension	Value
Better informed	3.3
Better communication between employees and between management and employees	2.9
More systematic annual interviews are arranged	3.0
More systematically regulated education and training	3.1
Improved brainstorming for improvements	3.1
Better affiliation in schools	3.0
Processes are carried out in a better manner (education, administration, libraries, etc.)	2.8
Greater student satisfaction	3.0
Greater employee satisfaction	2.8
Greater employer satisfaction	2.8
Constant improvements in our college are present	3.4

goals, the leaders are the sole decision-makers, etc.),

- **business processes problem** (undefined processes, rare improvements),
- **measurement problem** (measurements limited to the business report – profit, income, salaries, etc.),
- **improvement problem** (few improvements (5 to 10 annually in organizations (up to 100 employees) unsystematic approach to improvements – random)),
- **poor awareness of the quality management system and excellence model** (mostly limited only to the quality administrator and/or the director, other employees are not familiar enough or unfamiliar).

Naturally all the listed findings do not apply to all organizations. In slightly less than 20% of the organizations (19) problems regarding the quality management systems or excellence model have not been perceived.

Accordingly, it is evident that the quality management systems and excellence models are not accomplishing the desired effect. Most of the organizations with an established quality management system either use the excellence model or do not use the tool appropriately which results in having bigger operation problems than organizations that use to their full potential.

#### 4. IMPROVEMENT PROPOSALS

As has been mentioned, the tools for quality assurance and excellence models are not used to their full potential which is why the desired results are not achieved. The reasons are stated in the previous chapter.

Proposals for a more effective and successful use of tools for quality assurance and excellence models are:

- **better management** (management with a vision and measurable goals, innovative leader that can induce enthusiasm and motivate, and who has excellent people skills),
- **optimization of business processes** (define the business processes and the administrators, annual improvement of business processes through team approach, etc.),
- **measuring** (measuring performance but also the members' satisfaction, innovativeness, amount of sick leave, number and frequency of errors. Internal assessments should be better – improvement proposal, examples of good practice),
- **creativity and innovativeness** (systemic approach from brainstorming to inventive – innovative activity),
- **learning organization** (all employees of organization have to pursue systematic and long-term learning),
- **social responsibility** (apart from giving importance to profit and income, to be also socially responsible),
- **familiarization of all employees** with the quality management system and excellence model (if used),
- **ethical business** (to ensure long-term success) and
- **the importance of constant change** (that must be adapted to or created).

The listed proposals for improvement of tools for quality assurance and excellence models apply to all organizations that are already using the mentioned tools and to those that are yet to take that path. The tools

provide excellent support in operating more effective and successful organizations provided we can use them well.

#### 4.1. Management

A complimentary team is like a hand, made of different finger parts and skills, and its leader is like the thumb. To be a leader is to be a thumb that connects other fingers so that together they work as a hand. (Adizes, 2009)

In the future the competitiveness of a company will certainly be based on an effective management of employees and appealing to their competences and talents. The leaders of the future should avoid commanding, reprimanding and controlling workers. The point is for the leaders to gain trust of their subordinates and thus create new common goals with them. The authors endorse a new philosophy of management that will be based on the following principles:

- Management is responsible for achieving favourable performance results and for organizing the business process.
- The leader must proceed from the assumptions that the subordinates are diligent, do not resist change and are ready to take responsibility.
- Management has to ensure suitable conditions to coordinate the goals of employees and organization. (merkač, skok, 2005)

In the future a new technique of management will have to be implemented into theory and practice, namely management on the basis of values. Values such as love, peace, non-violence, openness, kindness, fairness, justice, patience, truthfulness and compassion can encourage a greater motivation for work in workers than all the

mentioned management techniques. In my opinion, successful leaders of the future will also have to invest in their personal development. The leaders today dedicate a lot of time to physical health and being fit, and also to mental health which is to be praised but it is not enough.

Excellent leaders should also seek to dedicate more time to their spiritual knowledge. Leaders must recognize that they are responsible for all employees of the company they lead as managers, including for their personal development.

#### 4.2. Optimization of operation processes

The leading thought that better quality results in greater productivity and cost reduction, better performance and job security, needs to be realized concretely for each process. Holistic improvement of processes (Total Process Improvement – TPI) is a proven program for better exploitation of means with:

- Exploitation of possibilities for improvement in production process,
- Exploitation of possibilities for cost reduction,
- Optimization and simplification of parts of processes and courses,
- Shortened time of processing,
- Minimization of preparation phases,
- Modification of processes (reconstruction of processes)
- Formulation of new processes (re-engineering of processes)
- Eco-design and management of ecological issues.

The companies begin remodelling of business by using different methodologies that consist of the following steps:

- Analysis of the current situation (analysis of the existing course of processes, documentation).
- Content planning process which involves process owners and leaders of departments.
- Planning (modelling) of processes: 2 phases:
- Inventory of existing state of processes (AS-IS).
- Planning the desired state of processes (TO-BE).

In the coming years, only organizations that reconstruct their organization, processes and technological infrastructure accordingly will achieve viability. MBP (Management of business processes) business doctrine can be implemented by:

- Redefining the holistic business model and models of business processes which cover all areas of business and thus enable more innovative operation appropriate for tackling challenges;
- Establishing appropriate and effective strategies and mechanisms for change management;
- Regularly solving problems pertaining to adaptation of business rules, technological standards and quality of operation processes (procedures);
- Developing a comprehensive and understandable planning and changing business outcomes;
- Defining delimitations and areas of business connecting developing business network (net) at all levels of implementation of business process;
- Building an appropriate strategy and methods of analysis, measuring and risk management.

Slightly outdated saying that we often come across in our everyday practice says that changes are becoming a regular feature in the operation of an organization. Most organizations do not take this truth seriously and therefore have difficulty in making changes. Business strategy, operation processes, personnel and (information) technology are vital in implementing changes. Only a mutually connected and coordinated use of these factors of change enables a harmonious development and development of corporate culture of organization, and effective management of change in redesigning operations (Kovačič, Vukšić, 2005).

First we need to define the basic generic goals of redesigning or improving operations which substantiate the aspiration for effectiveness and successfulness of operation as well as business as well as the operation of the renovated processes. For their realization we try the optimum of three limiting, mutually dependant, yet usually contradictory basic goals or standards: time, cost and quality. Time standard means the ability of the company and its operation processes to produce the required product or execute the service in the pre-arranged time. Cost criterion is reflected in adaptation of the costs of a product/service to price relationships imposed by an agreed scope of costs (budget) of the project or the sale price on the market. Time and costs are restrictions that can influence the quality of the outcome of operation process (project, product, service, etc.).

Redesigning operation processes encompasses following basic starting points and global aims (Kovačič, Vukšić, 2005, 42):

- 'simplification of operation processes by elimination of unnecessary activities, such as execution of approvals, documentation and other organizational activities;

- shortening of the business cycle or all operation processes in the company, increasing responsibility and consequent reduction of operating costs;
- increasing the added value in all operation processes;
- reduction of costs of implementation of processes while retaining the appropriate relation between quality and time;
- increasing reliability and consistency regarding the implementation of processes and consequently quality of products and services;
- redesigning operation processes towards closer and direct liaison with suppliers;
- exploiting/prioritizing own vital strengths and outsourcing less central and less competitive process to outside contractors.

Regarding the holistic approach to redesigning business, we define the goals which are based on the aspiration towards a more effective implementation of redesigned processes and a more successful and competitive business (Kovačič, Vukšić, 2005).

#### 4.3. Innovativeness

It is important for managers that they take into consideration a set of the main rules when establishing innovative environment (Bulc, 2005, 24):

1. Role model. If we only talk about innovativeness, lecture on it and write, while not being innovative ourselves, then the colleagues will quickly find other reasons for proving that they are needed and successful, for everyone wants to be successful. The employees therefore strive to understand internal rules which allow for

successfulness, recognise it, appreciate it and reward it.

2. Openness to innovation. There are a lot of managers who verbally appreciate innovation, but have difficulties incorporating the proposed innovations into their operation processes because these require change. They may not feel as confident and successful under the new circumstances as they were before. Managers that take risks are rare, especially if they are successful.
3. Persistence. Innovativeness requires a lot of persistence, for it is a complex process that is strongly expressed in all business relationships: to customers, suppliers, owners, public, among employees. Innovativeness requires hard work as it directly and indirectly influences the whole organization.
4. Awareness. Managers who do not know who they are, what their and other team members' key abilities are, cannot maximize the potential of the employees. Therefore we will always look for positive personal characteristics in managers in terms of their attitude towards colleagues/employees. One of the key criteria for assessing the successfulness of a manager might become the number of their "students" that have surpassed them, the number of innovative business models or market breakthrough of products or services.

#### 4.4. Ten rules for successful innovation management

Through experience at Deloitte and understanding of innovation methods at Shell, Starbuck, Virgin, Harley Davidson and Charles Schwab, he concluded that there

exist several basic rules that need to be taken into account for successful management of innovations (Jankovich, 2005, 26-27):

### 1. Management enthusiastic about innovations

For an effective system of innovation management – the basic connection between company's strategy and innovation strategy – an active management is imperative, one that understands the process and pays constant attention to it. Only eagerness of the management can incite people's creativity to actively confront the innovative incentive.

### 2. Innovation culture and organization

Appropriate structure and discipline are necessary for effective innovations. In order for companies to retain competitive advantage, the innovation processes have to institutionalize and create such conditions, in which creative thinking will become the core value, rule and activity. Operative changes have to be implemented, communication plans, award and prize systems for encouragement of the right culture and management of organization through the period of change.

### 3. Idea generating

This is a process in which ideas and concepts are born within the company, and special methods of effective encouragement, brainstorming, advantage defining and use of innovation. Generating ideas can be directed to specific business problems or selectively include a broader audience and community, while organization encourages mutual cooperation

### 4. Intellectual property care

The ability of understanding, recording and exploiting of intellectual property is important for effective innovation

management of each organization. According to the European Patent Office, more than 4 million patents are valid in today's world, 700,000 inventions registered every year, OECD (Organisation for Economic Co-operation and Development) countries spent 645 billion dollars for research and development in 2001 (2.3% of GDP); the estimated value of all the patents, created within one a year, corresponds to 15 to 20% of the expenses made for research and development. Each year the patent offices approve patent rights, the value of which is estimated to be approximately 97 to 150 billion dollars. The value of the existing patents is approximately 1 to 1.5 billion dollars. Hidden intellectual property is an important source of opportunities that needs to be managed through a holistic and guided innovation process in order to achieve the maximum gain.

### 5. Market data collection

Generating of ideas is supplemented with market research. Ideas from external sources are thus gathered, for example from research institutes, universities, groups of experts for patent law, buyers and market as a whole.

### 6. Project development

Turning innovation processes into value is the final standard of an effective process of innovation management. As the 'machinery room' of innovation incentive, this function requires high levels of capability of the financial and project management, coordinated by experts and leaders when developing quality proposals and business opportunities.

### 7. Financing and implementation

We are often of the opinion that innovative opportunities require great financial



risk. Some research studies have shown that 60% of directors are not satisfied with the lucrativeness of investments into innovations. The basic reason for this is lack of well-structured, well-guided financial mechanisms.

#### 8. Keep or let go

Companies often think that it might be too soon to address the opportunity. The innovation process is thus repressed or redesigned and included into an already existing unit, or it is dismissed too quickly due to the initial unsuccessfulness. It is important that opportunities be developed in an appropriate environment up to the point when they can be left to the market. The responsible management must also ensure appropriate lucrativeness of the investment and think about when it is time to dismiss it.

#### 9. Creation of ruinous opportunities

Christenses and Raynor (2003) explain why established companies, as well as the well-managed ones, have such difficulties responding or accepting destructive innovations that are on the horizon. The reason is that organizations usually develop ways of thinking that revolve around what they already know. Once the pattern is established, managers have great problems justifying, to themselves and to the others he need for turning the processes upside down thus responding to the barely visible change on the market. Once the threat is obvious, it is usually too late and the advantage is gained by the newly established companies. If we are capable of recognizing and creating destructive opportunities, the innovation management is greatly improved, as by doing so we enable growth and differentiate ourselves from the competitors.

#### 10. Profit/increase of productivity

Innovation management which extends to products, processes, strategy and services can be gradual or radical. Gradual innovations usually bring value by increasing profit and productivity in the basic business activity. If we consider most of the teachings of effective knowledge management, then gradual (small) innovations can be copied and used to good effect by everyone.

### 4.5. Stop competing and win

More and more entrepreneurs and company leaders have a feeling that their time is mostly spent on studying the competition and competing on smaller market segments where the only way to stay afloat is to reduce prices and costs of production. That, however, leads to gradual ruin, destroys creativity and innovativeness, and closes the path of development and new commercially attractive products. Kim and Mauborgne (2005) therefore claim that the most successful companies do not deal with competition and fight for increasingly small market share on the existing market anymore, but create new market environments in which they make their own rules. In the modern market conditions, when globalization is penetrating all economic spheres, this is the only right way to success.

Creativity, innovativeness and originality are becoming more and more important factors of successful business strategy of the 21<sup>st</sup> century. Only creative entrepreneurs who are able to cross the existing market boundaries and create new markets (style, ways of product usage) where they offer new products and services with no competition can succeed. Numerous successful companies have realized that for future success they have to stop competing with each other. But how?

For easier understanding, Kim and Mauborgne (2005) divide the market space into two 'oceans'; the red one (representing the existing markets; defined by the competition) and the blue one (future; unknown market space). The problem is that the whole discipline or rather most of the business strategies of the last 25 years are based on finding ways on how to beat the competition, finding competitive advantages and differentiation of products and services in order to achieve a more profitable growth and to increase market share. In the current business environment these factors no longer suffice.

Kim and Mauborgne (2005) have reached the conclusion by studying the last 150 years of the business world and successful business strategies in numerous economic sectors. Many markets that are today taken for granted (computer science, automobiles, the internet, telephony, etc.) were a complete unknown to the consumers at the beginning of the 20<sup>th</sup> century. This means that there are always a lot of unexploited possibilities on the market, and the potentials for creation of new markets and habits. Can you imagine the markets in 2030, 2040? Markets eventually change; economy is constantly developing, business and markets are expanding, entrepreneurs are developing, some coming, others going.

### 4.6. Learning organization

The term began to establish itself in the 1990s, as the consequence of the 'business excellence' movement in the 80's which reached its peak with the publication of Tom Peters' and Robert Waterman's 'In search of Excellence' (1982). "Excellence" the companies or other organizations concerned could not maintain and, in most cases, quite poorly finished. Pascale (in Markič, 2004) states that more than two thirds of the high performing companies

lost their high-ranking position within only 5 years. This was interpreted as the result of their inability to adapt to new conditions and learn (Markič 2004, 53 – 55).

Senge (2006) interprets the learning organization as an organization that overcomes its foundations (archetype) that visibly hinder survival and development. Argyris and Schon (in Markič, 2004) were already in 1978 of the opinion that the changing of basic goals and vision (double loop learning) is just as difficult as innovating new production processes (double loop learning) and this problem is the main reason for the ruin of an organization. Peddler, Burgoyne and Boydell (in Markič, 2004) describe the learning organization as an organization that depends on four processes: holistic policy of the company, given processes, effective individuals and understanding of individuals. These processes are achieved with the help of 11 behavioural characteristics of an organization: encouraging strategy changes; involving individuals in company policy making; maintaining transparency of internal information with the help of information technology; practising decisive accounting based on return loop; maintaining internal coordination with the help of negotiations; awarding for inventions and problem solving; maintaining unambiguous but adaptable structure; collecting information from colleagues that are leaving; imitation and experimenting with other organizations; encouraging learning from mistakes; providing culture and structure that encourages individual's personal development. Senge (in Markič, 2004) described the changes that managers have to make for an organization to progress and keep up with the events in its surroundings. His (Senge in Markič, 2004) two most established work reflect new needs for co-dependent change in different areas of 'learning children'. The learning

organization is based on 5 'learning disciplines' in lifetime programs of learning and realization, which are (ibid 53 – 55):

1. Individual upgrading – learning and increasing personal abilities to achieve desired outcomes and creating an organizational environment which encourages all participants toward the chosen goals and aims.
2. Model of thinking – influence on continuous clarification and improvement of our inner image of the world and realization of how it forms our acts and decisions.
3. Common vision – creating the feeling of duty towards a group through the development of a common image about the future that we will strive to create, and principles and general instructions with which we want to achieve it.
4. Team learning – reformulating verbal skills of collective thinking, where a group of people would be equipped with the amount of intelligence and skill that exceeds the sum of talents of its individual members.
5. Systemic thinking – way of thinking about forces and their mutual relations that form the behaviour of the systems and means of expression for their description and understanding. This discipline helps us change systems more successfully and act in accordance with extensive natural and economic processes.

The basic condition for reformulation into a learning organization is the establishment of a holistic management of operation process improvements (Harrington J.H. in Harrington J.S. 1995, 483).

The most influential authors who have published on this topic are of the opinion that the central factors regarding the implementation of learning organizations are new practices of management/leadership or rather the function of dealing with people. The new approach is based on use and expansion of knowledge and practices that are engaged actively in all areas and simultaneously encourage constant improvement of operation of organization processes and products (McKenzie 2004, 39).

Building a learning organization and following its effects also means measuring its internal abilities and external relationships with suppliers, customers, competition and other business environment (McKenzie, 2004, 336).

#### 4.7. Social responsibility

Rules of behaviour that are known as socially responsible behaviour are in most European countries not regulated by laws or regulations and in fact represent additional efforts of companies regarding socially responsible practice. These exceed obligations defined by the legislation and are related to all areas of company operations, relationships within companies and relationships with all external stakeholders of the company in the broadest sense.

Guidelines include general rules for socially responsible behaviour of companies of all activities, sizes and organizational forms, thus establishing basic direction for socially responsible behaviour of Slovenian companies as well.

The provisions of the guidelines are not fixed. They need to be adapted to the constantly changing statutory, economic and social conditions.

These guidelines encompass the following areas of socially responsible behaviour of companies:

- Socially responsible behaviour toward human beings,
- Relationship with the natural and urban environment,
- Fair trading, relationship with the suppliers, customers and other external stakeholders,
- Relationship with the community in which the company operates,
- Socially responsible investing,
- Relationship with the general public and the dissemination of the principles of socially responsible behaviour.

### 4.8. Ethical business

Ethics of a company deals with standards of behaviour of the company according to good and evil.

Following these definitions, company ethics should be concerned with the following tasks:

- Defining the norms and rules according to which managers and other participants in the company should behave.
- Describing the ethical problems faced by the company.
- Assessing the behaviour of a company and reasons why it is ethically good or bad.
- Indicating the implications of entrepreneurial behaviour.
- Alongside the mentioned, ideas and tools for analysis and elimination of ethical problems must be offered.

Ethics of management comprises the problem at three levels (Kralj, 2007):

- “Ethics toward external environment of organization”

- “Ethics within company”
- “Personal dilemmas of managers”

In the exterior environment, it is about the corporate ethics that expresses the relationship of an organization with its business partners and competition, and social responsibility of the management towards individuals, groups, organizations, public and state. It is necessary to stress the moral of managers toward individuals and company employees, who set the frames of politics and give or take the authority of the managers of the company (appoint them or dismiss them), who thus become their confidants. Ethics refers also to the morality of managers' private lives. A manager has to identify himself with the ethics of organization even outside his working hours. As a manager he represents and presents the organization 24 hours a day. That is the price brought upon by the function of a leader.

### 4.9. Constant changes

Changes are constant. Everything is fleeting, only changes remain. It is not the strongest that survive, but those who adapt to change (think of dinosaurs). People do not like changes because they bring something unknown, which causes discomfort and fear. Only changes bring progress. These are only a few thoughts taken from different sources and personal experience. Is it all true? I definitely believe so.

Companies, countries and the global world have to adapt to changes and comply with them in their work if they want to continue existing. Also, the planet Earth is the only one that we have. If we want to keep it, we must change our behaviour toward it (not pollute it in any kind of manner). If we consider people to be the company's most important asset, it is important to treat them appropriately and to manage the organization appropriately, while at the same time

taking into consideration general, trade, corporate accepted ethical principles. In order for a company to be competitive, it is necessary to encourage creativity and innovativeness which results in better products, services, operating processes and new services and products, and, last but not least, better mutual relationships. Changes are therefore necessary. If we do not change, improve, adapt to changes on the market, then others (competition) surpass us (which is like stopping on a highway), and in the end we endanger the existence of ourselves and all the living creatures of the Earth.

## 5. CONCLUSION

To be a successful organization is the aim of every organization. The success of an organization can, naturally, be judged from different points of view. Apart from a financial indicator, for example profit, organizations put more and more emphasis on

non-financial indicators, such as management, innovativeness, satisfaction of customers, employees, suppliers and broader society (town, municipality, country), quality of life and work, effective implementation and shortening of the working process, which all together in the long term contribute to better performance and quality of products and services. Tools, models and methods that ensure effective assessment of successfulness are abundant. Proposals, that can definitely be given to organizations that are using the mentioned tools, help putting the tools to an even better use, thus enabling better performance. The proposals can in any case be followed by organizations which are yet to start using the aforementioned tools. To conclude, let us summarize Adizes' (2009) useful findings, also related to the quality management systems and excellence models - and that is constant improvements, adaptation to changes and creation of changes: Crisis is the consequence of the long term, unsolved decay (ibid, 26).

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### **(NE)UČINKOVITOST SUSTAVA UPRAVLJANJA KVALITETOM I MODELA POSLOVNE IZVRSNOSTI U PRAKSI**

#### *Sažetak*

*U ovom se radu predstavljaju neki od alata upravljanja kvalitetom i poslovnom izvrsnošću u organizacijama. U nastojanju za osiguranjem kvalitete i poslovne izvrsnosti, a kao preduvjet efikasnosti i efektivnosti, organizacijama pomažu dobro poznati alati, o čijim se obilježjima raspravlja. Na temelju rezultata istraživanja, ukazuje se na (ne)funkcioniranje navedenih alata, pri*

*čemu se fokus stavlja na alate, poput ISO 9001, EFQM model, i slične. Rezultati ankete se koriste za iskazivanje preporuka o učinkovitijem korištenju alata upravljanja kvalitetom i poslovnom izvrsnošću te njihovom usmjeravanju prema postizanju organizacijske efektivnosti.*

**Ključne riječi:** *efektivnost, alati za upravljanje kvalitetom, sustavi poslovne izvrsnosti*